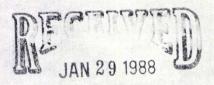
FORM MR-AR (Revised 11/87)



DIVISION OF OIL GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING 355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 Telephone: (801) 538-5340

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

1.	Report Time Peri	od: From (mo./	yr.) 1/87 To (mo./yr.) 12/87	
2.	DOGM File Number (original notice): M / 047 / 010			
3.	Mine Name: Bonanza Mines			
4.	Mineral(s) Mined:Gilsonite			
5.	Name of Operator	or Company:	American Gilsonite Company - Bonanz	
6.	Permanent Address:	S:-	P. O. Box 28	
7.	Company Represent		Bonanza, Utah 84008 gnated operator):	
7.	Company Represent		gnated operator):	
7.		tative (or desi Bruce E. C	gnated operator):	
7.	Name:	tative (or desi Bruce E. (Environmer	gnated operator):	
7.	Name: Title:	tative (or desi Bruce E. (Environmer	gnated operator): ilbert tal/ Safety Coordinator r Route, Vernal UT 84078	
7.	Name: Title: Address: Phone:	Environmer Manila Sta 801 789-77	gnated operator): ilbert tal/Safety Coordinator r Route, Vernal UT 84078	
	Name: Title: Address: Phone: Please check	Bruce E. G Environmer Manila Sta 801 789-77	gnated operator): ilbert tal/Safety Coordinator r Route, Vernal UT 84078	

	3.	occurred during the pas	ew or additional surface disturbances that st year. This description should include the volume of material moved, and the acreage			
		LE-19 Stripped vein for	r surface mining, 3000 yds ³ moved, 2.0 acres disturbed			
		B-16 Area graded for m	ine site, vegetation removed, 1.5 acres disturbed			
		B-38 Drill site, vegetation removed, 0.1 acres disturbed				
	4.	clamation work performed during the past should include acreage reclaimed, methods tion of the results.				
	5.	What was the total unre	claimed acreage at years end? 42 acres(approx)			
	6.		g and reclamation planned for the upcoming year. acres on Little Emma and Rainbow veins.			
III	. ADD	ITIONAL INFORMATION				
	1.	An updated surface facilities map should be attached if there have been significant changes since the previous map was submitted. There have been no significant changes since map submitted for 1985.				
	2.	There have been no significant changes since map submitted for 1985, Any monitoring results or other reports that are required under the terms of the approved notice of intention should also be attached.				
IV.	SIGN	ATURE REQUIREMENT				
	I he	reby certify that the for	regoing is true and correct.			
		Signature of Operator:	and I Pala			
		Name (Typed or Print):	Fred L. Riding			
		Title of Operator:	Bonanza Operations Manager			
		Date:	January 20 1988			

IV.